

MEMORANDUM

TO: File No. 4-627

FROM: Lillian Hagen
Division of Risk, Strategy and Financial Innovation

DATE: December 14, 2011

RE: Meeting with exchanges, regulators and members of the Consolidated Tape Association regarding Dodd-Frank Section 417(a)(2) short sale study

On January 13, 2011, Amy Edwards, Bruce Kraus, Sandra Mortal, Lillian Hagen, Laura Serban, Cecelia Caglio, Gopa Biswas, Jonathan Greenstein, Tim McCormick, Liz Sandoe, Christian Sabella, Katrina Wilson, Laura Magyar and Eric Peterson from the Securities and Exchange Commission met with Jeff Davis, Jeff Kinsey, Ed Knight and Robert Vilaro of NASDAQ; David DeGregorio and Claudia Crowley from the NYSE; Chris Stone, Julie Bauer, John Kroper, Stephanie Dumont, Steve Joachim, Steve Luparello and Helen Moore from FINRA; John Yetter from NASDAQomx; Tom Knorring and David Reed from CBOE; David Carr, Eric Swanson, Tamara Schademann and Chris Issacson from BATS; and James Yong of NSX.

The participants discussed how regulators would benefit from either real time short position reporting or transaction marks on the consolidated tape. The participants discussed the technical aspects of how the consolidated tape works and the process for making changes to the consolidated tape. The participants also discussed other changes necessary for additional transaction marks on the consolidated tape.